

## **Senate Bill No. 1462**

### **CHAPTER 201**

An act to amend Section 6348.4 of, and to add Section 17905 to, the Business and Professions Code, to amend Sections 5903, 12468, 53395.10, 53839, and 65302 of the Government Code, to amend Section 1698 of the Harbors and Navigation Code, to amend Sections 670 and 671 of the Revenue and Taxation Code, and to amend Sections 36606, 36621, 36622, 36625, 36626, 36630, 36631, 36636, 36650, and 36660 of the Streets and Highways Code, relating to local government.

[Approved by Governor August 15, 2014. Filed with  
Secretary of State August 15, 2014.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 1462, Committee on Governance and Finance. Local government: omnibus bill.

(1) Existing law requires a fictitious business name statement to be filed with the clerk of the county in which a registrant has his or her principal place of business in this state or, if a registrant has no place of business in this state, with the Clerk of Sacramento County.

This bill would authorize the Sacramento County Board of Supervisors to designate, by resolution, another county officer to perform the duties of the county clerk described above. This bill would make legislative findings and declarations regarding the necessity for a special statute.

(2) Existing law establishes a system of county law libraries and provides for a board of law library trustees in each county to govern the law library established for the county. Existing law authorizes real property acquired by the board to be sold, with the proceeds to be deposited in the law library fund.

This bill would additionally authorize real property acquired by the board to be leased, rented, or licensed, with the proceeds to be deposited in the law library fund.

(3) Existing law authorizes a legislative body, as defined, that determines prior to issuing any bonds that the interest payable on the bonds will be subject to federal income taxation under the law in effect on the date of issuance, to require in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds, that the bonds be denominated, payable, and redeemable in accordance with certain standards.

This bill would also authorize the legislative body to include the maturity or maturities of the bonds in the ordinance, resolution, indenture, agreement, or other instrument providing for issuance.

(4) Existing law requires the Controller to regularly audit, in accordance with a specified schedule, the annual apportionment and allocation by counties of property tax revenue.

This bill would correct an erroneous cross-reference in these requirements.

(5) Existing law authorizes the legislative body of a city or county to establish an infrastructure financing district, and requires proceedings for the establishment of a district to be instituted by the adoption of a resolution of intention to establish the proposed district that, among other things, describes the boundaries of the proposed district as referenced in a map on file in the office of the clerk of the city or county.

This bill would specify that the description of the boundaries of the proposed district may be accomplished by reference to a map on file in the office of the clerk of either the city or county that is proposing to establish the district.

(6) Existing law, until December 31, 2014, authorizes special districts to issue securitized limited obligation notes, as specified.

This bill would extend that authorization to December 31, 2019.

(7) The Planning and Zoning Law requires the legislative body of a city or county to adopt a general plan that consists of various elements, including a noise element that identifies and appraises noise problems in the community. Existing law requires the noise element to, among other things, recognize the guidelines established by the Office of Noise Control.

This bill would eliminate the requirement that the noise element recognize the guidelines established by the Office of Noise Control.

(8) Existing law authorizes any 2 or more harbor agencies to establish an authority, as specified, for the purpose of establishing an infrastructure fund and financing port or harbor infrastructure. Existing law defines “port or harbor infrastructure” for purposes of that law.

This bill would correct an erroneous cross-reference in that definition.

(9) Existing law prohibits any person from performing the duties or exercising the authority of an appraiser for property tax purposes, as specified, unless he or she holds a valid appraiser’s certificate issued by the State Board of Equalization. Existing law requires the board to hold appraiser examinations, prepared by the board with the assistance of 5 assessors selected by the State Association of County Assessors. Existing law provides that an appraiser, after holding a valid appraiser’s certificate for at least 3 years, be issued an advanced appraiser’s certificate by the board when he or she has completed a course of study, passed an examination, and holds a valid professional designation from a recognized professional organization. Existing law requires the board, with the advice and assistance of 5 assessors selected by the State Association of County Assessors, to prescribe the course of study, prepare the examination, and approve of the professional designation.

This bill would change an obsolete reference in these provisions from the State Association of County Assessors to the California Assessors’ Association.

(10) The Property and Business Improvement District Law of 1994 defines “assessment” for purposes of that law to mean a levy for the purpose of, among other things, promoting activities that will benefit the properties or businesses located within the district.

This bill would revise the definition of “assessment” to instead mean a levy for the purpose of providing activities that will benefit the properties or businesses located within the district.

(11) The Property and Business Improvement District Law of 1994 requires the resolution of intention to form a district, the management district plan, and the resolution of formation of the district to include a description of the exterior boundaries of the district.

This bill would authorize the description in these documents of the exterior boundaries of the district to be made by reference to any plan or map that is on file with the city clerk.

(12) The Property and Business Improvement District Law of 1994 requires the resolution establishing a property and business improvement district to contain specified information.

This bill would correct an erroneous cross-reference in the listing of the information required to be contained in the resolution.

(13) The Property and Business Improvement District Law of 1994, upon the expiration of a property and business improvement district, authorizes a new district to be established. That law also authorizes any district previously established whose term has expired to be renewed, as specified.

This bill would instead, upon the expiration of a property and business improvement district, authorize the district to be renewed, and would also authorize the renewal of any district whose term will expire.

(14) The Property and Business Improvement District Law of 1994 requires all delinquent payments for assessments to be charged interest and penalties.

This bill would instead authorize interest and penalties to be charged.

(15) The Property and Business Improvement District Law of 1994 authorizes the city council to modify the management district plan relating to these modifications or the improvements and activities to be funded with the revenue derived from the levy of an assessment after conducting a public hearing on the proposed modifications. That law requires notice of public meetings and public hearings to comply with either a particular statute or specified requirements.

This bill would eliminate the reference to “public meetings” in the notice requirement and would change any reference from “public meeting” to “public hearing.”

(16) The Property and Business Improvement District Law of 1994 requires the owners’ association under contract with the local governmental entity to administer or implement activities and improvements specified in the management district plan, to cause to be prepared a report for each fiscal year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. That law requires the report to include, among other things, the amount of any surplus or

deficit revenues to be carried over from a previous fiscal year and the amount of any contributions to be made from sources other than assessments.

This bill would instead require the report to include the estimated amount of any surplus or deficit revenues as described above, and the estimated amount of any contributions as described above.

*The people of the State of California do enact as follows:*

SECTION 1. (a) This act shall be known, and may be cited, as the Local Government Omnibus Act of 2014.

(b) The Legislature finds and declares that Californians want their governments to be run efficiently and economically and that public officials should avoid waste and duplication whenever possible. The Legislature further finds and declares that it desires to control its own costs by reducing the number of separate bills. Therefore, it is the intent of the Legislature in enacting this act to combine several minor, noncontroversial statutory changes relating to the common theme, purpose, and subject of local government into a single measure.

SEC. 2. Section 6348.4 of the Business and Professions Code is amended to read:

6348.4. Real property acquired by a board may be sold, leased, rented, or licensed with the proceeds to be deposited in the law library fund.

SEC. 3. Section 17905 is added to the Business and Professions Code, to read:

17905. The Sacramento County Board of Supervisors may, by resolution, designate another county officer to perform the duties of the county clerk pursuant to this chapter in and for the County of Sacramento.

SEC. 4. Section 5903 of the Government Code is amended to read:

5903. If, prior to issuing any bonds, the legislative body determines that the interest payable on the bonds to be issued by the state or local government will be subject to federal income taxation under the law in existence on the date of issuance or pending on the date of issuance with an effective date preceding the date of issuance, then notwithstanding any other provision of law, the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds may provide for any of the following:

(a) The bonds shall be in the denominations, in the form, either bearer or registered, and payable at the place or places, either within or without the United States, at the time or times, in lawful money of the United States of America, with the maturity or maturities, with the terms of redemption, and at the interest rate or rates, either fixed or variable, including methods of determining the rate or rates if variable, as the legislative body shall determine.

(b) The bonds shall be sold at public or private sale, in such manner and place or places, either within or without the United States, and at the price or prices, above or below par, as the legislative body shall determine.

(c) In connection with, or incidental to, the sale and issuance of the bonds, the state or local government may offer, sell, and issue warrants for additional bonds, as well as issue additional bonds pursuant to these warrants on terms consistent with this chapter, and may enter into any contracts which the legislative body determines to be necessary or appropriate to place the obligation of the state or local government, as represented by the bonds and the contract or contracts, in whole or in part on the interest rate, cashflow, or other basis desired by the legislative body, including, without limitation, contracts commonly known as interest rate swap agreements, forward payment conversion agreements, futures, or contracts providing for payments based on levels of or changes in interest rates, or contracts to exchange cashflows or a series of payments, or contracts, including, without limitation, options, puts or calls to hedge payment, rate, spread, or similar exposure. These contracts or arrangements may also be entered into by state or local governments in connection with, or incidental to, entering into any agreement which secures bonds, including bonds issued by private entities. These contracts and arrangements shall be made upon the terms and conditions established by the legislative body, after giving due consideration for the creditworthiness of the counterparties, where applicable, including any rating by a nationally recognized rating agency or any other criteria as may be appropriate. In addition, these contracts and arrangements may be made only if the bonds are rated in one of the three highest rating categories by two nationally recognized rating agencies, and if there has been receipt, from any rating agency rating the bonds, of written evidence that the contract or agreement will not adversely affect the rating.

(d) In connection with, or incidental to, the sale and issuance of the bonds, or entering into any of the contracts or arrangements referred to in subdivision (c), the state or local government may enter into credit enhancement or liquidity agreements, with payment, interest rate, security, default, remedy, and other terms and conditions as the legislative body shall determine.

(e) Proceeds of the bonds and any moneys set aside or pledged to secure payment of the bonds, or any of the contracts entered into pursuant to subdivision (c), may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds and may be pledged to and used to service any of the contracts or agreements entered into pursuant to this section.

SEC. 5. Section 12468 of the Government Code is amended to read:

12468. The Controller shall regularly audit the apportionment and allocation by counties of property tax revenue pursuant to Chapter 3.5 (commencing with Section 75) of, and Chapter 6 (commencing with Section 95) of, Part 0.5 of Division 1 of the Revenue and Taxation Code in accordance with the following schedule:

(a) For counties with a population in excess of 5,000,000 the audit shall be performed annually.

(b) For counties with a population greater than 200,000 and less than 5,000,000, the audit shall be performed on a three-year cycle.

(c) For counties with a population of 200,000 or less, the audit shall be performed on a five-year cycle.

(d) The Controller may, at his or her discretion, perform audits more frequently than provided in subdivisions (b) and (c).

(e) The Controller shall annually submit a report to the Legislature containing a description of the audit findings for each county that was audited during the prior year. The report shall contain recommendations to the Legislature for legislation to correct any errors in the apportionment and allocation of property tax revenues that were determined as a result of these audits.

SEC. 6. Section 53395.10 of the Government Code is amended to read:

53395.10. A legislative body of a city or county may designate one or more proposed infrastructure financing districts pursuant to this chapter. Proceedings for the establishment of a district shall be instituted by the adoption of a resolution of intention to establish the proposed district and shall do all of the following:

(a) State that an infrastructure financing district is proposed to be established under the terms of this chapter and describe the boundaries of the proposed district, which may be accomplished by reference to a map on file in the office of the clerk of the city or county that is proposing to establish the district.

(b) State the type of public facilities proposed to be financed by the district. The district may only finance public facilities authorized by Section 53395.3.

(c) State that incremental property tax revenue from the city or county and some or all affected taxing entities within the district may be used to finance these public facilities.

(d) Fix a time and place for a public hearing on the proposal.

SEC. 7. Section 53839 of the Government Code is amended to read:

53839. A special district shall not issue any securitized limited obligation notes after December 31, 2019, unless a later enacted statute that is enacted before December 31, 2019, deletes or extends that date.

SEC. 8. Section 65302 of the Government Code is amended to read:

65302. The general plan shall consist of a statement of development policies and shall include a diagram or diagrams and text setting forth objectives, principles, standards, and plan proposals. The plan shall include the following elements:

(a) A land use element that designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, open space, including agriculture, natural resources, recreation, and enjoyment of scenic beauty, education, public buildings and grounds, solid and liquid waste disposal facilities, and other categories of public and private uses of land. The location and designation of the extent of the uses of the land for public and private uses shall consider the identification of land and natural resources pursuant to paragraph (3) of subdivision (d). The land use element shall include a statement of the standards of population density and building intensity recommended for the various districts and

other territory covered by the plan. The land use element shall identify and annually review those areas covered by the plan that are subject to flooding identified by flood plain mapping prepared by the Federal Emergency Management Agency (FEMA) or the Department of Water Resources. The land use element shall also do both of the following:

(1) Designate in a land use category that provides for timber production those parcels of real property zoned for timberland production pursuant to the California Timberland Productivity Act of 1982 (Chapter 6.7 (commencing with Section 51100) of Part 1 of Division 1 of Title 5).

(2) Consider the impact of new growth on military readiness activities carried out on military bases, installations, and operating and training areas, when proposing zoning ordinances or designating land uses covered by the general plan for land, or other territory adjacent to military facilities, or underlying designated military aviation routes and airspace.

(A) In determining the impact of new growth on military readiness activities, information provided by military facilities shall be considered. Cities and counties shall address military impacts based on information from the military and other sources.

(B) The following definitions govern this paragraph:

(i) “Military readiness activities” mean all of the following:

(I) Training, support, and operations that prepare the men and women of the military for combat.

(II) Operation, maintenance, and security of any military installation.

(III) Testing of military equipment, vehicles, weapons, and sensors for proper operation or suitability for combat use.

(ii) “Military installation” means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the United States Department of Defense as defined in paragraph (1) of subsection (e) of Section 2687 of Title 10 of the United States Code.

(b) (1) A circulation element consisting of the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, any military airports and ports, and other local public utilities and facilities, all correlated with the land use element of the plan.

(2) (A) Commencing January 1, 2011, upon any substantive revision of the circulation element, the legislative body shall modify the circulation element to plan for a balanced, multimodal transportation network that meets the needs of all users of streets, roads, and highways for safe and convenient travel in a manner that is suitable to the rural, suburban, or urban context of the general plan.

(B) For purposes of this paragraph, “users of streets, roads, and highways” mean bicyclists, children, persons with disabilities, motorists, movers of commercial goods, pedestrians, users of public transportation, and seniors.

(c) A housing element as provided in Article 10.6 (commencing with Section 65580).

(d) (1) A conservation element for the conservation, development, and utilization of natural resources including water and its hydraulic force, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals,

and other natural resources. The conservation element shall consider the effect of development within the jurisdiction, as described in the land use element, on natural resources located on public lands, including military installations. That portion of the conservation element including waters shall be developed in coordination with any countywide water agency and with all district and city agencies, including flood management, water conservation, or groundwater agencies that have developed, served, controlled, managed, or conserved water of any type for any purpose in the county or city for which the plan is prepared. Coordination shall include the discussion and evaluation of any water supply and demand information described in Section 65352.5, if that information has been submitted by the water agency to the city or county.

(2) The conservation element may also cover all of the following:

- (A) The reclamation of land and waters.
- (B) Prevention and control of the pollution of streams and other waters.
- (C) Regulation of the use of land in stream channels and other areas required for the accomplishment of the conservation plan.
- (D) Prevention, control, and correction of the erosion of soils, beaches, and shores.
- (E) Protection of watersheds.
- (F) The location, quantity and quality of the rock, sand, and gravel resources.

(3) Upon the next revision of the housing element on or after January 1, 2009, the conservation element shall identify rivers, creeks, streams, flood corridors, riparian habitats, and land that may accommodate floodwater for purposes of groundwater recharge and stormwater management.

(e) An open-space element as provided in Article 10.5 (commencing with Section 65560).

(f) (1) A noise element that shall identify and appraise noise problems in the community. The noise element shall analyze and quantify, to the extent practicable, as determined by the legislative body, current and projected noise levels for all of the following sources:

- (A) Highways and freeways.
- (B) Primary arterials and major local streets.
- (C) Passenger and freight online railroad operations and ground rapid transit systems.
- (D) Commercial, general aviation, heliport, helistop, and military airport operations, aircraft overflights, jet engine test stands, and all other ground facilities and maintenance functions related to airport operation.
- (E) Local industrial plants, including, but not limited to, railroad classification yards.
- (F) Other ground stationary noise sources, including, but not limited to, military installations, identified by local agencies as contributing to the community noise environment.

(2) Noise contours shall be shown for all of these sources and stated in terms of community noise equivalent level (CNEL) or day-night average level ( $L_{dn}$ ). The noise contours shall be prepared on the basis of noise



monitoring or following generally accepted noise modeling techniques for the various sources identified in paragraphs (1) to (6), inclusive.

(3) The noise contours shall be used as a guide for establishing a pattern of land uses in the land use element that minimizes the exposure of community residents to excessive noise.

(4) The noise element shall include implementation measures and possible solutions that address existing and foreseeable noise problems, if any. The adopted noise element shall serve as a guideline for compliance with the state's noise insulation standards.

(g) (1) A safety element for the protection of the community from any unreasonable risks associated with the effects of seismically induced surface rupture, ground shaking, ground failure, tsunami, seiche, and dam failure; slope instability leading to mudslides and landslides; subsidence; liquefaction; and other seismic hazards identified pursuant to Chapter 7.8 (commencing with Section 2690) of Division 2 of the Public Resources Code, and other geologic hazards known to the legislative body; flooding; and wildland and urban fires. The safety element shall include mapping of known seismic and other geologic hazards. It shall also address evacuation routes, military installations, peakload water supply requirements, and minimum road widths and clearances around structures, as those items relate to identified fire and geologic hazards.

(2) The safety element, upon the next revision of the housing element on or after January 1, 2009, shall also do the following:

(A) Identify information regarding flood hazards, including, but not limited to, the following:

(i) Flood hazard zones. As used in this subdivision, "flood hazard zone" means an area subject to flooding that is delineated as either a special hazard area or an area of moderate or minimal hazard on an official flood insurance rate map issued by the Federal Emergency Management Agency (FEMA). The identification of a flood hazard zone does not imply that areas outside the flood hazard zones or uses permitted within flood hazard zones will be free from flooding or flood damage.

(ii) National Flood Insurance Program maps published by FEMA.

(iii) Information about flood hazards that is available from the United States Army Corps of Engineers.

(iv) Designated floodway maps that are available from the Central Valley Flood Protection Board.

(v) Dam failure inundation maps prepared pursuant to Section 8589.5 that are available from the Office of Emergency Services.

(vi) Awareness Floodplain Mapping Program maps and 200-year flood plain maps that are or may be available from, or accepted by, the Department of Water Resources.

(vii) Maps of levee protection zones.

(viii) Areas subject to inundation in the event of the failure of project or nonproject levees or floodwalls.

(ix) Historical data on flooding, including locally prepared maps of areas that are subject to flooding, areas that are vulnerable to flooding after wildfires, and sites that have been repeatedly damaged by flooding.

(x) Existing and planned development in flood hazard zones, including structures, roads, utilities, and essential public facilities.

(xi) Local, state, and federal agencies with responsibility for flood protection, including special districts and local offices of emergency services.

(B) Establish a set of comprehensive goals, policies, and objectives based on the information identified pursuant to subparagraph (A), for the protection of the community from the unreasonable risks of flooding, including, but not limited to:

(i) Avoiding or minimizing the risks of flooding to new development.

(ii) Evaluating whether new development should be located in flood hazard zones, and identifying construction methods or other methods to minimize damage if new development is located in flood hazard zones.

(iii) Maintaining the structural and operational integrity of essential public facilities during flooding.

(iv) Locating, when feasible, new essential public facilities outside of flood hazard zones, including hospitals and health care facilities, emergency shelters, fire stations, emergency command centers, and emergency communications facilities or identifying construction methods or other methods to minimize damage if these facilities are located in flood hazard zones.

(v) Establishing cooperative working relationships among public agencies with responsibility for flood protection.

(C) Establish a set of feasible implementation measures designed to carry out the goals, policies, and objectives established pursuant to subparagraph (B).

(3) Upon the next revision of the housing element on or after January 1, 2014, the safety element shall be reviewed and updated as necessary to address the risk of fire for land classified as state responsibility areas, as defined in Section 4102 of the Public Resources Code, and land classified as very high fire hazard severity zones, as defined in Section 51177. This review shall consider the advice included in the Office of Planning and Research's most recent publication of "Fire Hazard Planning, General Technical Advice Series" and shall also include all of the following:

(A) Information regarding fire hazards, including, but not limited to, all of the following:

(i) Fire hazard severity zone maps available from the Department of Forestry and Fire Protection.

(ii) Any historical data on wildfires available from local agencies or a reference to where the data can be found.

(iii) Information about wildfire hazard areas that may be available from the United States Geological Survey.

(iv) General location and distribution of existing and planned uses of land in very high fire hazard severity zones and in state responsibility areas, including structures, roads, utilities, and essential public facilities. The

location and distribution of planned uses of land shall not require defensible space compliance measures required by state law or local ordinance to occur on publicly owned lands or open space designations of homeowner associations.

(v) Local, state, and federal agencies with responsibility for fire protection, including special districts and local offices of emergency services.

(B) A set of goals, policies, and objectives based on the information identified pursuant to subparagraph (A) for the protection of the community from the unreasonable risk of wildfire.

(C) A set of feasible implementation measures designed to carry out the goals, policies, and objectives based on the information identified pursuant to subparagraph (B) including, but not limited to, all of the following:

(i) Avoiding or minimizing the wildfire hazards associated with new uses of land.

(ii) Locating, when feasible, new essential public facilities outside of high fire risk areas, including, but not limited to, hospitals and health care facilities, emergency shelters, emergency command centers, and emergency communications facilities, or identifying construction methods or other methods to minimize damage if these facilities are located in a state responsibility area or very high fire hazard severity zone.

(iii) Designing adequate infrastructure if a new development is located in a state responsibility area or in a very high fire hazard severity zone, including safe access for emergency response vehicles, visible street signs, and water supplies for structural fire suppression.

(iv) Working cooperatively with public agencies with responsibility for fire protection.

(D) If a city or county has adopted a fire safety plan or document separate from the general plan, an attachment of, or reference to, a city or county's adopted fire safety plan or document that fulfills commensurate goals and objectives and contains information required pursuant to this paragraph.

(4) After the initial revision of the safety element pursuant to paragraphs (2) and (3), upon each revision of the housing element, the planning agency shall review and, if necessary, revise the safety element to identify new information that was not available during the previous revision of the safety element.

(5) Cities and counties that have flood plain management ordinances that have been approved by FEMA that substantially comply with this section, or have substantially equivalent provisions to this subdivision in their general plans, may use that information in the safety element to comply with this subdivision, and shall summarize and incorporate by reference into the safety element the other general plan provisions or the flood plain ordinance, specifically showing how each requirement of this subdivision has been met.

(6) Prior to the periodic review of its general plan and prior to preparing or revising its safety element, each city and county shall consult the California Geological Survey of the Department of Conservation, the Central Valley Flood Protection Board, if the city or county is located within the

boundaries of the Sacramento and San Joaquin Drainage District, as set forth in Section 8501 of the Water Code, and the Office of Emergency Services for the purpose of including information known by and available to the department, the agency, and the board required by this subdivision.

(7) To the extent that a county's safety element is sufficiently detailed and contains appropriate policies and programs for adoption by a city, a city may adopt that portion of the county's safety element that pertains to the city's planning area in satisfaction of the requirement imposed by this subdivision.

SEC. 9. Section 1698 of the Harbors and Navigation Code is amended to read:

1698. (a) "Port or harbor infrastructure" means any of the following, if its primary or predominant use is of direct benefit to the port or harbor:

(1) Streets, roads, highways, bridges, sidewalks, curbs, gutters, tunnels, subways, alleyways, viaducts, pipelines, rail lines, or other facilities for the transportation or movement of people, vehicles, equipment, or goods.

(2) Piers, docks, wharves, slips, quays, platforms, decks, cranes, or other facilities for the mooring, docking, loading, or unloading of vessels.

(3) Lands, tidelands, submerged lands, easements, port access routes, channel improvements, rights-of-way, dredge disposal sites, safety zones, breakwaters, levees, bulkheads, or walls of rock or other material to protect property or traffic.

(4) Parking, warehouse, or storage facilities.

(5) Parks, recreation, or open space facilities.

(6) Remediation.

(7) Water, wastewater, drainage, electric, or telecommunication systems or facilities.

(8) Buildings, structures, facilities, improvements, or equipment necessary or convenient to any of paragraphs (1) to (7), inclusive, or to the operation of a port or harbor.

(9) Public improvements authorized pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), and the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code).

(b) Any port or harbor infrastructure may be privately operated. Except for any port or harbor infrastructure financed or subsidized with public trust revenues, any privately owned port or harbor infrastructure may be eligible in whole or in part for financing or other support or subsidy from money deposited in the infrastructure fund pursuant to subdivision (a) of Section 1701.

(c) If a port or harbor infrastructure financed wholly or partly with public funds is privately owned and if the use for which the port or harbor infrastructure was originally constructed changes or is incompatible with the port authority's master plan, the private owner shall pay the public

agency the percentage of the full appreciated value of the port or harbor infrastructure that was originally financed with public funds.

(d) Any port or harbor infrastructure may be located within, partly within and partly outside, or outside the boundaries of any harbor agency.

(e) Any port or harbor infrastructure that has been purchased, constructed, expanded, improved, or rehabilitated by the expenditure or use of public trust revenues shall be held as an asset of the trust in a share proportionate to the investment of public trust revenues.

SEC. 10. Section 670 of the Revenue and Taxation Code is amended to read:

670. (a) No person shall perform the duties or exercise the authority of an appraiser for property tax purposes as an employee of the state, any county or city and county, unless he or she is the holder of a valid appraiser's or advanced appraiser's certificate issued by the State Board of Equalization.

(b) The board shall provide for the examination of applicants for these certificates and may contract with the State Personnel Board to give the examinations. Examinations shall be prepared by the board with the advice and assistance of a committee of five assessors selected by the California Assessors' Association for this purpose. No certificate shall be issued to any person who has not attained a passing grade in the examination and demonstrated to the board that he or she is competent to perform the work of an appraiser as that competency is defined in regulations duly adopted by the board. However, any applicant for a certificate who is denied the same shall have a right to a review of that denial in accordance with the State Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) Passage of a civil service or merit system examination for appraiser given by the state, or any county or city and county, shall suffice to meet the requirements of this section. The scope of the examination shall be approved by the State Board of Equalization.

(d) No employee of the state, or any county or city and county shall perform the duties or exercise the authority of an auditor or an auditor-appraiser under Section 469 or Section 15624 of the Government Code, unless he or she holds a degree with a specialization in accounting from a recognized institution of higher education, or is a licensed accountant in the State of California, or has passed the state, or a county, or city and county, or city civil service or merit system examination regularly given for the position of accountant or auditor by the testing body, or holds the office of assessor.

(e) Except for persons holding the office of assessor, this section does not apply to elected officials.

(f) No charge shall be made to counties or to applicants for examinations and certifications under this section or for training conducted by the board under Section 671.

SEC. 11. Section 671 of the Revenue and Taxation Code is amended to read:

671. (a) In order to retain a valid appraiser's certificate every holder shall complete at least 24 hours of training conducted or approved by the State Board of Equalization in each one-year period.

Any excess in training time over the 24-hour minimum accumulated in any one year shall be carried over as credit for future training requirements with a limit of three years in which the carryover time may be credited.

Failure to receive such training shall constitute grounds for revocation of an appraiser's certificate; provided, however, that proceedings to revoke shall be conducted in accordance with the Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

Training shall include, but not be limited to, new developments in the case and statutory law and administrative rules.

(b) An advanced appraiser's certificate shall be issued by the board after an applicant has held an appraiser's certificate for at least three years and:

- (1) Has successfully completed a course of study; or
- (2) Has passed an advanced level examination; or
- (3) Holds a valid professional designation from a recognized professional organization.

The board, with the advice and assistance of five assessors selected by the California Assessors' Association, shall prescribe the course of study, prepare the advanced level examination, and approve the professional designation.

In order to retain a valid advanced appraiser's certificate, every holder shall complete at least 12 hours of training in each one-year period.

Any excess in training time for the advanced appraiser's certificate over the 12-hour minimum accumulated in any one year shall be carried over as a credit for future training requirements with a limit of two years in which the carryover time may be credited.

Failure to receive such training shall constitute grounds for revocation of an advanced appraiser's certificate; provided, however, that proceedings to revoke shall be conducted in accordance with the Administrative Procedure Act contained in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

Training to retain the advanced appraiser's certificate shall include, but not be limited to, new developments in the case and statutory law and administrative rules.

SEC. 12. Section 36606 of the Streets and Highways Code is amended to read:

36606. "Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities which will benefit the properties or businesses located within a property and business improvement district.

SEC. 13. Section 36621 of the Streets and Highways Code is amended to read:

36621. (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than

50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.

(b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request.

(c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map which is on file with the city clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

SEC. 14. Section 36622 of the Streets and Highways Code is amended to read:

36622. The management district plan shall contain all of the following:

(a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.

(b) The name of the proposed district.

(c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map which is on file with the city

clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.

(d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements and activities proposed for each year of operation are the same, a description of the first year's proposed improvements and activities and a statement that the same improvements and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit



received by the property or business, to defray the cost thereof, including operation and maintenance.

(l) Any other item or matter required to be incorporated therein by the city council.

SEC. 15. Section 36625 of the Streets and Highways Code is amended to read:

36625. (a) If the city council, following the public hearing, decides to establish the proposed property and business improvement district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map which is on file with the city clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements and activities funded by the assessments proposed to be levied.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

SEC. 16. Section 36626 of the Streets and Highways Code is amended to read:

36626. If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city

council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

SEC. 17. Section 36630 of the Streets and Highways Code is amended to read:

36630. If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

SEC. 18. Section 36631 of the Streets and Highways Code is amended to read:

36631. The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

SEC. 19. Section 36636 of the Streets and Highways Code is amended to read:

36636. (a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

SEC. 20. Section 36650 of the Streets and Highways Code is amended to read:

36650. (a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and

business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

SEC. 21. Section 36660 of the Streets and Highways Code is amended to read:

36660. (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.

(b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.

(c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of

those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

SEC. 22. The Legislature finds and declares, with respect to the addition by this act of Section 17905 of the Business and Professions Code, that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution, because of the unique circumstances relating to the reorganization of the departments in Sacramento County, resulting in the Department of Finance administering the county's fictitious business name functions.